

Meeting Date: 10/14/08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # TB-4



Date: October 2, 2008
To: City Manager for Council Action
From: John C. Roukema, Director of Electric Utility
Subject: Approval of Service Agreement with TransCanada Turbines Inc., for Maintenance and Repair of the LM6000 Combustion Turbines at the Donald Von Raesfeld Power Plant

EXECUTIVE SUMMARY:

The Donald Von Raesfeld (DVR) power plant has power generation equipment which at times will require maintenance and repairs. TransCanada Turbines Inc., (TCT) is a General Electric authorized maintenance facility to perform maintenance and repairs on the LM6000 combustion turbine equipment installed at the DVR power plant. A copy of the Service Agreement is available in the Council Offices for review.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

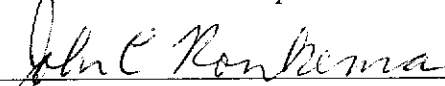
It is important to have vendors available to respond to maintenance and repair issues for the equipment at DVR. Currently, only General Electric has a service contract with the City. By entering into a service agreement with TCT, staff will be able to call on support from either vendor in case one is unavailable. This improves the reliability of the plant equipment to meet load schedules. This will also allow staff to get competitive pricing for planned work.

ECONOMIC/FISCAL IMPACT:


The total amount for this service agreement shall not exceed \$150,000.00. Sufficient funds are available in Generation Division operating budget [account 091-1377-87600-(F)-55300].


RECOMMENDATION:

That Council approve, and authorize the City Manager to execute, a Service Agreement with TransCanada Turbines, Inc., in an amount not to exceed \$150,000.00, for LM6000 Combustion Turbine Maintenance and Repair at the Donald Von Raesfeld Power Plant.

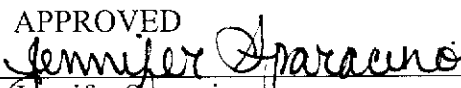


John C. Roukema
Director of Electric Utility

Certified as to Availability of Funds 
091-1377-87600 \$150,000.00



Mary Ann Parrot
Director of Finance

APPROVED


Jennifer Sparacino
City Manager

MAJORITY VOTE OF COUNCIL

Documents Related to this Report:

- 1) *Service Agreement with TransCanada Turbines, Inc.*

CITY OF SANTA CLARA
AGENDA MATERIAL ROUTE SHEET

Council Date: October 14, 2008

SUBJECT: Approval of Service Agreement with TransCanada Turbines, Inc., for Maintenance and Repair of the LM6000 Combustion Turbines at the Donald Von Raesfeld Power Plant

CERTIFICATION

The proposed Service Agreement with TransCanada Turbines, Inc.
Regarding: Maintenance and Repair of the LM6000 Combustion Turbines at the Donald Von Raesfeld Power Plant
has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published ____ time(s) at least ____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 2008.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:

Title _____ U.S.C. § _____
(Titles run 1 through 50)

California Codes:

Code _____ § _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:

Title _____ C.F.R. § _____
(Titles run 1 through 50)

California Regulations:

Title _____ California Code of Regulations § _____
(Titles run 1 through 28)

City

City Charter § _____ (i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)

City Code § _____

1. As to City Functions, by
2. As to Legality, by
3. As to Environmental Impact Requirements, by
4. As to Substance, by

John C. Bonham
Department Head

Heather Hecht
City Attorney's Office/CAO Assignment No. 08.1175

Director of Planning and Inspection

J. Sparano
City Manager